



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

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PRESS RELEASE

Commissioner Bush Orders Land Office to Start 2016 Budget from Zero

Commissioner brings real-world business budgeting to Texas government

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AUSTIN — The Texas General Land Office is starting next year's budget from zero.

Commissioner George P. Bush ordered all agency budget planners and managers to jettison "baseline budgeting" in the upcoming fiscal year. Under baseline budgeting, planners set budgets based on what was spent in the prior year or two years, and then increase them by a few percent to take inflation into account.

"Baseline budgeting creates monster government," Commissioner Bush said. "Baseline budgeting is one reason government keeps growing year after year, devouring more of our economy and costing more and more to taxpayers. Instead, I ordered the Land Office to use zero-based budgeting to make our agency run more effectively."

In addition to zero-based budgeting, Commissioner Bush instructed agency divisions to slash 5 percent from their budgets in fiscal year 2016, and 5 percent again in 2017.

State agencies swung into their budgeting processes following the end of the 84th Legislature. Under zero-based budgeting at the Land Office, agency budget planners have started from zero and must justify every dollar that they spend. Land Office divisions are reporting that zero-based budgeting is enabling them to hit the 5 percent cut target that Commissioner Bush ordered.

"Zero-based budgeting is my weapon of choice to slay the beast of big government," Commissioner Bush said. "Texas households have to count dollars and sometimes make do with less. It's only fair that government do the same."

Zero-based budgeting was pioneered by Pete Pyhrr at Texas Instruments in the 1970s. It's a structured method businesses often use to assess their budgets and streamline costs. Under Commissioner Bush's directive, GLO divisions will retain the financial flexibility to deal with contingencies. Overall, zero-based budgeting has made the GLO more financially liquid and agile.

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